

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1405 - SB 1425

March 26, 2019

SUMMARY OF BILL: Adds the High School Equivalency Test (HiSET®) to the list of courses a student under 18 years of age may be enrolled in and making satisfactory academic progress in order to be able to obtain a driver's license or learner's permit.

ESTIMATED FISCAL IMPACT:

Increase State Revenue – Exceeds \$3,600/Department of Safety

Increase State Expenditures – Exceeds \$400/Department of Safety

Assumptions:

- This legislation will apply to minor students not enrolled in a high school who are 17 years old or emancipated students who are 16 years old.
- Pursuant to Tenn. Code Ann. § 49-6-3017(b)(1), the Department of Safety (DOS) is prohibited from issuing a driver's license to minor students who apply for a driver's license that cannot show documentation that the student has a high school diploma or general education development (GED) certificate; proof the student is enrolled and making satisfactory progress in a course leading to a GED certificate; proof the student is enrolled and making satisfactory academic progress in a secondary school; provided such applicant has not been excused from such requirement due to circumstances beyond the applicant's control.
- Passage of this legislation will allow the applicable students to obtain a driver's license or learner permit by showing documentation they have completed the HiSET®, or are making satisfactory progress towards completing the HiSET®, as well as paying a \$20 fee collected by the DOS.
- According to the Department of Labor and Workforce Development (DLWD), the state has ceased to administer the GED as part of its high school equivalency.
- DLWD indicates that the Department currently administers the HiSET®. As a result, students who have either completed the HiSET®, or are making satisfactory progress towards completing the HiSET®, are unable to obtain a driver's license or learner permit at this time because DOS is prohibited from issuing such licenses and permits as a direct result of Tenn. Code. Ann. § 49-6-3017(b)(1).

- Based on information provided by the DOS, between 2016 and 2017, the Department has suspended, on average, the licenses of 1,816 students, age 16-17, for truancy.
- Assuming a similar number of truants have their license suspended under current law in future years, and at least 10 percent enter a HiSET® course and pay the \$20 re-instatement fee; the recurring increase in state revenue to the DOS is reasonably estimated to exceed \$3,632 [(1,816 students x minimum 10%) x \$20 reinstatement fee].
- No change in the number of minor students seeking an alternative to regular high school graduation through the passage of the HiSET® is anticipated; however, the number of driver's licenses and learner permits issued is expected to increase as a result of the legislation.
- The recurring increase in state expenditures for card issuance is estimated to exceed \$361 [(1,816 x 10%) x \$1.99 per card].

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

/jmg